



Charles L.A. Terreni
Chief Clerk/Administrator

The Public Service Commission State of South Carolina

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COPY

Posted: led Phone: (803) 896-5133
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Charles.Terreni@psc.sc.gov

Dept: S.A.

Date: 12/2/09

Time: 9:45

November 30, 2009

The Honorable David J. Mack, III
Post Office Box 70337
North Charleston, South Carolina 29415

Re: Application of TracFone Wireless, Incorporated for Designation as an Eligible Telecommunications Carrier in the State of South Carolina for the Limited Purpose of Offering Lifeline and Link Up Service to Qualified Households, Docket No. 2009-144-C.

Dear Representative Mack:

Thank you for your letter dated November 10, 2009 regarding the Commission's recent decision to deny TracFone Wireless's application for designation as an Eligible Telecommunications Carrier under Section 214(e)(2) of the Federal Communications Act. We have posted your comments to the docket in this case, and made them available to all of the parties. Because the case is still pending, the Commission is not able to comment on the decision. However, I have enclosed with this letter a copy of the Commission's directive, which memorializes the Commission's vote and reasoning for denying the application. I would also point out that, while the Commission voted on the application on October 15, 2009, the order has yet to be issued, and the time during which the parties may move for reconsideration has yet to begin running. Therefore, the Commission is still in a position to consider any new proposals that the parties may have regarding this application.

I hope that you will find this information helpful. Please let me know if I may be of further assistance.

With best wishes, I am,

Sincerely yours,

Charles L.A. Terreni

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PSC SC
DOCKETING DEPT.

cc: C. Lessie Hammonds, Esquire
Nanette S. Edwards, Esquire
D. Larry Kristinik, Esquire
Debra McGuire Mercer, Esquire
Jeremy C. Hodges, Esquire
Mitchell F. Brecher, Esquire
Public Utilities Review Committee

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA
COMMISSION DIRECTIVE

ADMINISTRATIVE MATTER

MOTOR CARRIER MATTER

UTILITIES MATTER

DATE **October 15, 2009**

DOCKET NO. 2009-144-C

ORDER NO.

SUBJECT:

DOCKET NO. 2009-144-C - Application of TracFone Wireless, Incorporated for Designation as an Eligible Telecommunications Carrier in the State of South Carolina for the Limited Purpose of Offering Lifeline and Link Up Service to Qualified Households – A Hearing was Held on September 3, 2009. Discuss this Matter with the Commission.

COMMISSION ACTION:

TracFone has made it clear in its filings before the Commission and at the hearing held on September 3 that it does not believe it should be required to contribute to the state universal service fund (USF), and that if the Commission held that the Company would be required to make state USF contributions as a condition of being granted ETC designation, it would elect not to offer Lifeline and Link Up service in this state. This Commission currently requires other wireless carriers designated as ETCs to contribute to the State USF. These other wireless carriers would be placed at a competitive disadvantage if we were to allow TracFone to obtain ETC designation without requiring TracFone to contribute likewise. Commission Regulation 103-690 allows us to impose such regulations on ETC applicants as shall be in the public interest. Additionally, we are charged under Sections 214 and 254 of the Federal Telecommunications Act to determine whether an ETC designation is consistent with the public interest, convenience and necessity. I do not believe it would be in the public interest to grant TracFone the ETC designation it seeks without requiring the Company to contribute to the State USF. The purpose of the State USF is to facilitate the offering of telephone service to all of the people of South Carolina, even in areas where it might otherwise be economically infeasible to offer telephone service. It is in the public interest that we ensure adequate levels of funding for the State USF. I therefore move that we deny TracFone's petition for ETC designation to offer Lifeline and Link Up service.

PRESIDING: Fleming

SESSION: Regular

TIME: 2:30 p.m.

	MOTION	YES	NO	OTHER	
FLEMING	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
HAMILTON	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<u>Absent</u>	Annual Leave
HOWARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
MITCHELL	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
WHITFIELD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
WRIGHT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		



House of Representatives

State of South Carolina

David J. Mack III

District No. 109 - Charleston County
P. O. Box 70337
North Charleston, SC 29415

328-D Blatt Building
Columbia, SC 29211

Tel. (803) 734-3192

Committee:

Labor, Commerce and Industry

November 10, 2009

Charles Terreni
Chef Clerk and Administrator
Public Service Commission of SC
101 Executive Center Dr., Ste. 100
Columbia, SC 29210

Dear Mr. Terreni:

I have seen some of the newspaper ads and heard about the PSC's decision to deny TracFone Wireless's request to provide free cell phones and wireless service to the people of South Carolina. The neediest citizens of our state benefit from the Lifeline program, administered by the federal government. I do not understand why the PSC would refuse to benefit these needy consumers when it is a free service and does not cost our taxpayers.

The need is clear. Less than 10% of this state's low income households receive Lifeline benefits now. With 90% of all the federally-defined poor in our state unconnected to the Lifeline program, this would be a large benefit to these people and for our state.

I understand and respect the work of the state's Public Service Commission. I know many of the issues you deal with are highly technical in nature. But I urge you to re-think this access issue in light of the apparent statewide need. TracFone seems willing to commit significant resources to operate in our state. They have already done so in a number of neighboring states. I hope that the SC PSC can find a way to expand access to free wireless phones and free wireless service to low income South Carolinians, and find a way to find a suitably appease all the parties involved. Our poorest citizens will be the winners if you can.

Thank you for your consideration of this inquiry.

Sincerely,

Rep. David Mack

cc: C. Dukes Scott, Exec. Director, SC Office of Regulatory Staff
& members of Public Utilities Review Committee

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